

National Community Driven Development Project
Department of Rural Development / Ministry of Livestock, Fisheries and Rural
Development
Terms of Reference (TOR)

Independent Technical Auditor (NGO/Firm)

(Starting June/July 2015, with up to three subsequent annual audits)

A. INTRODUCTION

The Republic of the Union of Myanmar received a grant of US\$ 80 million from the World Bank to finance the National Community Driven Development (NCDD) Project being implemented by the Department of Rural Development (DRD). The objective of the project is to enable poor rural communities to benefit from improved access to and use of basic infrastructure and services through a people-centered approach, and to enhance the government's capacity to respond promptly and effectively to an eligible crisis or emergency. This approach will empower villagers to manage and participate in their own development. The objective will be achieved through: (i) financing community-identified rural infrastructure investments; (ii) strengthening the capacity of communities in partnership with local authorities to effectively identify, plan and implement their development priorities; and (iii) facilitating the participation of the poor and vulnerable, both women and men, throughout the project cycle at the community level.

The project is comprised of five components, implemented over a period of approximately six years. Each component will include specific activities that seek a gender balance as well as to empower women.

Component 1: Community Block Grants (US\$52.2 million), to finance three annual cycles of on average US\$27,000 to about 640 village tracts in 15 townships for priority community level infrastructure. The infrastructure to be financed will be based on an open menu (using a negative list) and typically include small feeder roads, foot-paths and bridges, small dykes, drinking water systems, rehabilitation of class rooms and health centers, and small-scale rural electrification. Considering the unfamiliarity of government and communities with the concept of community empowerment, the first annual cycle in each township will contain a positive list of sub-projects that are easier to implement (using standardized designs). Block grants will be allocated through a participatory planning process covering all villages within a village tract. All village tracts in selected townships will be covered for equity purposes. Planning and prioritization of sub-projects will be undertaken by villagers and representative village tract forums.

Component 2: Facilitation and Capacity Development (US\$14.2 million), to finance technical assistance and institutional support at the union and township levels, including the hiring of community facilitators for the purpose of supporting the implementation of community driven activities under component 1 and a grievance redress mechanism. In this context, it will support capacity development in areas such as participatory processes, project management, gender equality and inclusion, environmental management and social accountability for local committee members as well as government staff at the township, region/state and union levels.

Component 3: Knowledge and Learning (US\$1.8 million), to support community representatives and government staff through learning from community based approaches implemented within Myanmar. Additional activities will include south-south learning exchanges to expose government counterparts to successful community driven development approaches in ASEAN countries and other regions. There will also be annual multi-stakeholder reviews to share experiences from the previous cycle and discuss ways to improve the project's design and implementation for the next cycle. These reviews will include lessons learned with regard to governance and anti-corruption measures. Finally, the project will fund an annual "development marketplace" to highlight the most promising innovations in people-centered development in Myanmar with a view to initiating these in the project areas.

Component 4: Implementation Support (US\$11.8 million), to support project management at the union and township levels, including monitoring and evaluation, reporting and communications as well as administration and logistical support for project implementation. Furthermore, this component will include third-party financial and technical audits.

Component 5: Emergency Contingency Response (US\$0 million), to allow for the rapid reallocation of grant proceeds from other components in order to provide preparedness and rapid response support to disaster, emergency and/or catastrophic events, as needed. The funds flow and disbursement arrangements will be determined at the time that a contingency response is activated

The project will operate in 15 townships – one in each of the country's 14 regions and states as well as the union territory. Criteria for the selection of townships are: primarily poverty, with additional criteria being absence of external funding and commitment by regional government to the objectives of the project.

The project outcomes include improved access to community-prioritized services and infrastructure, and enhanced participation of the rural population, including the poor and vulnerable, in the development process. Outputs are along the four main components of the project: (i) community block grants; (ii) capacity development and facilitation; (iii) knowledge and learning; and (iv) implementation support. The main outputs include:

- Number and type of community infrastructure built (for instance, kilometers of road rehabilitated, number of schools, clean water supply system)
- Government officials and community members trained and using their new skills in planning, implementation, project management, and monitoring
- Cross-learning and knowledge exchanges facilitated between townships
- Grievance redress mechanism established and percent of grievances resolved

There are three main indicators at the project development objective level, one to measure improved services and the other two indicators focusing on the people-centered approach. Data supporting the indicators will be disaggregated by gender, ethnicity, and poverty where feasible.

- Number of persons having access to and use project-built infrastructure and services

- Percent of households in project villages participating in planning, decision-making, and implementation of sub-projects
- Percent of community members satisfied with the project.

B. OBJECTIVE

The objective of the assignment is to independently and objectively assess the technical quality of civil works financed during Year 2 of the NCDD Project, including design and construction quality, operation and maintenance, sustainability, and compliance with social and environmental safeguards. An NGO/firm will be engaged to carry out the technical audit described in this TOR. Subject to satisfactory performance, the Consultant will also conduct up to three subsequent annual technical audits.

C. SCOPE OF WORK

To achieve this objective, the main scope of work of the selected Consultant will include:

1. Technical Design Quality of Infrastructure Subprojects

The Consultant will examine through a thorough technical audit the technical quality of infrastructure subprojects built using NCDD Project funds, and provide scores as to their technical quality. This will be done by examining engineering design specifications and conformity with the Project's quality standards.

- What is the technical quality of the design? Assess the current condition as good, fair or poor.
- Have any repair or maintenance works been required since the completion of the subproject? If so, what are the causes of defects? Break down the causes of defects into environmental/ natural factors, technical defects in implementation, and simple wear and tear.
- What is the quality of materials/inputs and are these consistent with BoQs in bidding/design documents?
- To what extent did the subprojects comply with the timetable for completion?

2. Adequacy of Quality Control / Quality Assurance (QC/QA) mechanisms

The Consultant will review selected subproject documents and examine the existing QC/ QA mechanisms under the NCDD Project. It is anticipated that, under the project, Technical Facilitators, DRD Engineers, Village Project Support Committees, Village Monitoring Sub-committees, and contractors are involved in QC/ QA mechanisms. The Consultant should recommend practical measures to strengthen identified gaps in QC/ QA mechanisms.

- Do the subprojects follow the technical specifications as designed?
- Do contractors/ communities (when community force accounts are used) put in place a quality assurance mechanism that is appropriate to the scale of investments?

- Are Technical Facilitators or DRD engineers present when critical works are carried out?
- Are materials tested or at least checked by qualified experts for adequately meeting applicable technical specifications?
- Are works done properly measured and certified before contractors are paid and subprojects are accepted by communities?
- Where a community force account is used, are critical works identified in implementation plan, and are Technical Facilitators or DRD engineers present when such works are done?
- Were defects/ deficiencies in materials used and/ or works done identified, corrected and documented?
- When the subproject was completed, did engineers inspect and sign off on successful completion? Have all technical requirements been met and defects addressed before subprojects are handed over to communities? It is important that defect liability period starts only after all works have been completed per contracts.

3. Compliance with Social and Environmental Safeguards

Subprojects built under the Project are to comply with environmental and social safeguards required in the Project Operations Manual. The Consultant will check whether or not the infrastructure works complied with these standards.

- Were environmental and social safeguard protocols followed per the Operations Manual? Refer to checklists for Environmental Codes of Practice (ECOPs) and safeguards.
- Was there any land donation, asset acquisition or resettlement due to the subproject? Was compensation paid for any asset? If yes, please document details.
- Were there any adverse environmental impacts observed at the subproject site, and how might they be mitigated?

4. Quality of Technical Assistance and Infrastructure Management

- What type of technical assistance was provided for infrastructure implementation?
- Who supervised infrastructure implementation and how often was it supervised?
- Were the relevant Government offices involved in any part of the preparation/ survey /design/oversight?
- Were community members actively involved in subproject implementation?
- How effective/efficient were modalities (community force account and contracting out) for implementing subprojects?
- Did communities carrying out subprojects under community force accounts receive necessary training before implementation and guidance/ support during implementation?
- What measures should be taken to enhance the timeliness, quality, and cost control of subproject implementation?

5. Cost-Effectiveness

Examine the cost-effectiveness of the main infrastructure types in relation to those of other projects. Collect data on unit costs.

- How does the budget and costs of the infrastructure compare with comparable infrastructure from other ministries or projects in the area? Care will be exercised to ensure subprojects with comparable design standards are compared.
- Are there community contributions, and if yes, how much and what percent of total costs?
- How reasonable are the costs for materials, labor and other inputs?
- Were subprojects designed in such a way that will maximize community benefits and achieve value for money?

6. Economic & Labor Analysis

- Confirm and/or calculate the number of beneficiaries from the subprojects, broken down by gender.
- Confirm and/or calculate employment generation and wages paid during subproject implementation, broken down by gender. Were wages paid equally to men and women working on the sub-projects?
- Were wage payments logged and signed off by workers? Is documentation available to verify this?
- For roads and bridge subprojects, how much time is saved due to rehabilitation? Are there any new businesses associated with improved infrastructure? Quantify, to the extent possible, the increased mobility of people and traffic.
- For water subprojects, how much time is saved from improved access to water sources? Identify any additional livelihood activities that beneficiary communities start to undertake as a result of improved access to water supply (e.g., gardening)
- For irrigation and electricity projects, what are the gains/benefits in terms of improved income, increased productivity or other effects?
- For school buildings, what are the benefits in terms of improved facilities, higher enrolment, or ease of attending schools?
- For other types of infrastructure, what are the benefits?
- What are the rates of return for each key type of infrastructure?

7. Operation and Maintenance (O&M)

- What are the O&M arrangements for the infrastructure? Is there an O&M committee in place and functioning?
- Was there any training provided to the communities on O&M?
- Is the infrastructure being maintained? If so, by whom?
- Are O&M plans developed in accordance with the requirements given in the operations manual? In particular, are works to be conducted and equipment to be purchased over 3 – 5 years of operation clearly identified and costed?
- Is OM fund developed based on the consideration of technical requirements?
- Assess whether applicable user fees are affordable to users and sustainable to finance longer term O&M. If the sub-project requires other Government inputs (e.g., teachers and learning materials for schools, or health workers, drugs and equipment

for dispensaries), have these been provided adequately and in a timely manner? How was timely provision of these key complementary services ensured (e.g., linkages to township planning and budgeting processes)?

- Are responsibilities, both financial and technical, clearly spelled out for community members and for the government?

8. Community Satisfaction and Use of the Infrastructure

- How satisfied are community members with the infrastructure built (highly satisfied, satisfied, not satisfied, highly unsatisfied)?
- Are there any complaints/grievances expressed by the community about the subproject?

9. Best Practices / Lessons learned

- What best practices can be drawn to enhance technical quality, operation and maintenance, sustainability, and compliance with social and environmental safeguards?
- What are other viable alternatives for implementing a large number of subprojects, within a township, taking into account limited time, budget, capacity, and other local factors?
- What best practices can effectively address threats to sustainability?
- What key lessons learned from the sub-projects undertaken should be replicated and/or avoided in other sub-projects?

D. METHODOLOGY

1. The Consultant will focus on the top four types of infrastructure (in terms of frequency) funded in Year 2 of the NCDD Project. A sample of up to 10% of subprojects will be randomly selected in project Townships to be specified and agreed with DRD. The sampling procedure will allow for a proportionate coverage of the different types of completed eligible subprojects.

Reference documents to be provided to the Consultant will include:

- Project Operations Manual
- Environmental and social safeguards guidelines including Environmental Codes of Practice (ECOPs)
- Technical specifications for subprojects
- Training modules on infrastructure including design, supervision, O&M, and social safeguards
- List of subprojects
- Quarterly reports

2. The Consultant will:

- With guidance from the Department of Rural Development at the Union level, plan and carry out field work in a cost- and time-effective manner to achieve the objectives of the assignment within the given timeframe.

- Prepare forms/checklists to be completed on-site based upon the Scope of Work in Section C above.
 - Work closely with project teams at the Union and Township levels.
3. The Consultant will present the draft Technical Audit report to DRD, World Bank, and other concerned stakeholders. The report will have the following main sections: a) executive summary; b) purpose of the assignment; c) methodology; d) findings; e) conclusions and recommendations; and f) annexes with data tables including photos and brief description of each subproject audited.
 4. The Consultant will then finalize the Technical Audit Report based on comments received on the draft report.
 5. The Consultant will share and discuss key findings and recommendations of the report at an NCDDP capacity-building workshop

E. OUTPUTS

Key Outputs	Due Date
Technical audit framework and methodology including sampling frame, audit guide/questions, and work plan submitted for DRD and World Bank comment and clearance	One week after mobilization
Submit Draft Technical Audit Report for DRD and World Bank comment and clearance	Week 10 of the engagement
PowerPoint Presentation of Key Findings	Week 11 of the engagement
Final Technical Audit Report	Week 12 of the engagement

Based on satisfactory performance, DRD may ask the Consultant to carry out subsequent annual technical audits for up to three additional years.

F. TECHNICAL TEAM STRUCTURE

The Consultant Team will be comprised as follows, however the consultants shall be free to prepare their own estimates of experts' time to carry out the assignment:

- 1 Team Leader/Community Infrastructure Specialist (3 person-months)
- 3 other Infrastructure Specialists (specific areas of specialization as will be needed, for a total of 6 person-months)
- 1 safeguards specialist (3 person-months)
- 1 rural economist (2 person-months)
- 1 local audit assistant (3 person-months)

G. PERSONNEL QUALIFICATIONS AND TASKS

In total, the assignment requires 17 person-months for each annual audit. Detailed personnel qualifications and tasks are provided in **Annex 1**.

H. SCHEDULE

The Consultant will be assigned for a period of three calendar months starting around June 1, 2015. The Technical Audit should be carried out when most subprojects would have been completed, ideally prior to the onset of the rainy season.

The findings should be available in time for the annual project Multi-Stakeholder Review, as well as for a DRD capacity-building workshop.

A similar schedule should be followed for subsequent annual audits, to be determined in consultation with DRD.

I. REPORTING AND COORDINATION

The Consultant will report directly to the DRD Project Manager, and will work with the Union Technical Assistance (TA) Team. At the Township level, the Consultant will coordinate closely with DRD and the Township Technical Assistance (TTA) Team.

After one week of the assignment, the consultant will submit a work plan, including technical audit framework and methodology including sampling frame, audit guide/questions, and work plan to DRD for comment and clearance. DRD and the World Bank will review these documents and furnish their comments and clearance within 5 working days of receipt.

Towards the end of this assignment, the Consultant shall submit to DRD a draft report. DRD and the World Bank will review the Draft Report and furnish its comments in writing within 5 working days of receipt of the report. The Consultant will not be required or expected to change its draft Report but will be required to reflect the DRD comments. If there is a disagreement between the DRD and the Consultant, the Consultant should retain its findings and recommendations, but must incorporate the DRD position, verbatim, in the Report making it clear that this is the DRD position on the issue.

The Final Report will be submitted to DRD within 5 working days after DRD has furnished its comments to the Consultant. If acceptable, DRD will approve the Final Report; if not, DRD will specify reasons/issues and require the Consultants to address the remaining issue/s for resubmission.

All written reports by the Consultant will be in English and in Myanmar language and should be presented in one original and one electronic copy. These reports should be submitted to the Project Manager, DRD.

The consultant will be requested to make a PowerPoint presentation of the final report's key findings and recommendations to DRD management and the NCDD Project Secretariat in Nay Pyi Taw, and potentially to the participants of the annual Multi-stakeholder Review (location to be determined).

J. LOCATION

The Consultant will be located at the NCDD Project office in Nay Pyi Taw.

ANNEX 1 PERSONNEL QUALIFICATIONS AND TASKS

GENERAL QUALIFICATIONS

The following qualifications are required for all Consultant's personnel. Priority will be given to specialists with experience in community driven development.

- Ability to work effectively and sensitively in teams and with government counterparts
- Prior experience of working in low capacity environments
- Ability to communicate effectively with project stakeholders
- Fluency in spoken and written English
- Willingness and ability to travel to remote project villages
- Proven ability to work under pressure and deliver in a timely manner

NO.	PERSONNEL	SPECIFIC QUALIFICATIONS	MAIN TASKS
1	Team Leader/ Community Infrastructure Specialist	<ul style="list-style-type: none"> • Master's degree in civil engineering or equivalent • 10 years experience in community infra management and training • Related experience in project evaluation • Ability to manage a team 	<ul style="list-style-type: none"> • Manage overall team performance and ensure timely and quality outputs of individual specialists • Prepare, refine and finalize Technical Audit Framework & Methodology and Work Plan • Plan and conduct field work to ensure timely collection of reliable data/information • Prepare the draft overall report; present to DRD; and finalize report based on presentation results • Liaise with DRD to ensure smooth planning and coordination of all activities
2	Other Infrastructure Specialists	<ul style="list-style-type: none"> • Master's degree in civil engineering or equivalent • 10 years experience in design, costing, training, constructing, and/or O&M of community infra 	<ul style="list-style-type: none"> • Draft, refine and finalize the section/s of the Technical Audit Report covering specific types of subprojects, e.g., water supply systems • Participate in field work focusing on collecting data/information on assigned types of subprojects
3	Safeguards Specialist	<ul style="list-style-type: none"> • Master's degree in social sciences • 10 years experience in applying and assessing social and 	<ul style="list-style-type: none"> • Draft, refine and finalize the social and environmental safeguards compliance section/s of the Technical Audit Report • Participate in field work focusing on collecting data/information on

		environmental compliance in community infra	compliance with social safeguard policies and procedures at the Union, Township, Village Tract and Village levels
4	Rural Economist	<ul style="list-style-type: none"> • Master's degree in economics or equivalent • 10 years experience in economic analysis of infrastructure 	<ul style="list-style-type: none"> • Calculate economic rates of return for community infrastructure • Analyze related issues such as cost-effectiveness
5	Local Audit Assistant	<ul style="list-style-type: none"> • Bachelor's degree in social sciences or equivalent • One year experience in data analysis 	<ul style="list-style-type: none"> • Enter field data and generate data tables • Provide other administrative support as needed by the team

DRAFT